

ACT #2016- 358

1 HB280
2 173899-6
3 By Representative Wood
4 RFD: Public Safety and Homeland Security
5 First Read: 23-FEB-16



1
2 ENROLLED, An Act,

3 Relating to motor vehicles and certificates of
4 title; to amend Sections 32-8-30, as amended by Act 2015-362;
5 32-8-31; 32-8-42; and 32-8-46, Code of Alabama 1975, to
6 further provide title requirements for certain motor vehicles;
7 to change the penalty for a dealer who violates the law; to
8 require notice to the department of an involuntary transfer of
9 a motor vehicle title by operation of law; and in connection
10 therewith would have as its purpose or effect the requirement
11 of a new or increased expenditure of local funds within the
12 meaning of Amendment 621 of the Constitution of Alabama of
13 1901, now appearing as Section 111.05 of the Official
14 Recompilation of the Constitution of Alabama of 1901, as
15 amended.

16 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

17 Section 1. Sections 32-8-30, as amended by Act
18 2015-362; 32-8-31; 32-8-42; and 32-8-46 of the Code of Alabama
19 1975, are amended to read as follows:

20 "§32-8-30.

21 "(a) Except as provided in Section 32-8-31, every
22 owner of a motor vehicle which is in this state and which is
23 required to be registered under the motor vehicle laws of this
24 state and for which no certificate of title has been issued by

1 the department, shall make application to a designated agent
2 as herein defined for a certificate of title to the vehicle.

3 "(b) In the event that the owner's legal name, as
4 recorded on the current certificate of title, has changed, the
5 owner shall make application for a corrected certificate of
6 title to record the current legal name of the owner. The
7 application for certificate of title shall be made prior to
8 the renewal of the registration for the motor vehicle.

9 "(c) Any dealer, acting for himself or herself or
10 another, who sells, trades or otherwise transfers any vehicle
11 required to be titled under this chapter who does not comply
12 with the provisions of this chapter shall be guilty of a Class
13 A misdemeanor ~~and upon conviction shall be fined a sum not~~
14 ~~exceeding \$500.00.~~

15 "§32-8-31.

16 "No certificate of title shall be issued under this
17 chapter for any of the following:

18 "(1) A vehicle owned by the United States or any
19 agency thereof.

20 "(2) A vehicle owned by a manufacturer or dealer and
21 held for sale, even though incidentally moved on the highway
22 or used for purposes of testing or demonstration, or a vehicle
23 used by a manufacturer solely for testing.

24 "(3) A vehicle owned by a nonresident of this state
25 and not required by law to be registered in this state.

"(4) A vehicle for which the Alabama license plate issuing official has verified that both the current owner and operator is recorded as the owner and operator on a currently effective certificate of title issued by another state and the certificate of title is being held by a recorded lienholder.

"(5) A vehicle moved solely by animal power.

"(6) An implement of husbandry.

"(7) Special mobile equipment.

"(8) A pole trailer.

"(9) ~~Travel trailers and mobile trailers designated 1989 year models and prior year models~~ A trailer, semi-trailer, travel trailer, or moving collapsible and folding camper more than 20 model years old. This exemption is applicable on January 1 of each year and applies to a trailer, semi-trailer, travel trailer, or moving collapsible folding camper with a model year, as designated by the manufacturer, more than 20 years from the current calendar year.

"(10) A manufactured home as defined in Section 32-20-2.

"(11) Utility trailers other than moving collapsible and folding campers ~~designated 1990 and subsequent year models.~~

"(12) A low speed vehicle, including neighborhood electric vehicles, defined as a four-wheeled motor vehicle with a top speed of not greater than 25 miles per hour, a

1 gross vehicle weight rating of less than 3,000 pounds, and
 2 complying with the safety standards provided in 49 C.F.R.
 3 Section 571.500.

4 ~~"(12) (13) A~~ Any other motor vehicle designated a
 5 1974 year model or prior year model more than 35 model years
 6 old. This exemption is applicable on January 1 of each year
 7 and applies to all motor vehicles with a model year, as
 8 designated by the manufacturer, more than 35 years from the
 9 current calendar year.

10 "(14) A mini-truck as defined in Section 40-12-240.

11 "(15) A motor-driven cycle as defined in Section
 12 32-1-1.1.

13 ~~"(13) (16)~~ Any other vehicles as prescribed by the
 14 department.

15 "§32-8-42.

16 "The department shall refuse issuance of certificate
 17 of title if any required fee is not paid or if the department
 18 has reasonable grounds to believe that one of the following
 19 exists:

20 "(1) The applicant is not the owner of the vehicle.

21 "(2) The application contains a false or fraudulent
 22 statement.

23 "(3) The vehicle was not manufactured to comply with
 24 federal and state statutes, rules, and regulations governing
 25 safety, emissions, and antitheft standards in effect at the

1 time of manufacture, and has not subsequently been modified to
2 comply with the standards.

3 "(4) A vehicle is ~~designated a 1974 year model or~~
4 ~~prior year model~~ exempt pursuant to Section 32-8-31.

5 "(5) The applicant fails to furnish required
6 information or documents or any additional information the
7 department reasonably requires.

8 "§32-8-46.

9 "(a) (1) If the interest of an owner in a vehicle
10 passes to another other than by voluntary transfer, the
11 transferee shall, except as hereinafter provided in subsection
12 (b), promptly mail or deliver to a designated agent the last
13 certificate of title, if available, and proof of the transfer,
14 together with his or her application for a new certificate in
15 the form the department prescribes.

16 "(2) Except as provided in subdivision (3), a person
17 or entity initiating an involuntary transfer by operation of
18 law in this state shall give notice of the action to the
19 department at least 35 calendar days prior to the date of the
20 transfer. The notice shall be in a manner as prescribed by the
21 department and shall include all of the following:

22 "a. The contact information for the person or entity
23 filing the notice.

24 "b. The motor vehicle's identification number, year,
25 make, and model.

1 "c. The date, time, and location of the involuntary
2 transfer by operation of law.

3 "(3) The notice provisions of this subsection shall
4 not apply to a motor vehicle transferred pursuant to Chapter
5 13, or to a motor vehicle transferred pursuant to a divorce
6 decree, or to a motor vehicle transferred pursuant to
7 documents creating a lien or other security interest in the
8 motor vehicle.

9 "(4) The department shall maintain and appropriately
10 index public records of motor vehicles reported to it pursuant
11 to this subsection. The department may provide lists of the
12 vehicle identification numbers for the motor vehicles without
13 fee in a manner as the department determines.

14 "(5) An application for certificate of title may not
15 be issued for a motor vehicle subject to an involuntary
16 transfer by operation of law until the notice requirements of
17 this subsection are satisfied.

18 "(b) If the interest of the owner is terminated or
19 the vehicle is sold under a security agreement by a lienholder
20 named in the certificate of title, the transferee shall
21 promptly make application to a designated agent for a new
22 certificate in the form the department prescribes. The
23 application shall be accompanied by the last certificate of
24 title and an affidavit made by or on behalf of the lienholder
25 that the vehicle was repossessed and that the interest of the

1 owner was lawfully terminated or sold pursuant to the terms of
2 the security agreement.

3 "If the lienholder succeeds to the interest of the
4 owner and holds the vehicle for resale, he or she need not
5 secure a new certificate of title but, upon transfer to
6 another person, shall promptly mail or deliver to the
7 transferee the certificate, affidavit and other documents
8 required by the department. The transferee shall promptly make
9 application to a designated agent for a new certificate in the
10 form prescribed by the department.

11 "(c) Notwithstanding anything to the contrary
12 contained in this section, a person holding a certificate of
13 title whose interest in the vehicle has been extinguished or
14 transferred other than by voluntary transfer shall forthwith
15 mail or deliver the certificate to the department upon request
16 of the department; and the delivery of the certificate
17 pursuant to the request of the department does not affect the
18 rights of the person surrendering the certificate; and the
19 action of the department in issuing a new certificate of title
20 as provided herein is not conclusive upon the rights of an
21 owner or lienholder named in the old certificate."


22 Section 2. Section 32-13-11 is added to the Code of
23 Alabama 1975, to read as follows:


24 §32-13-11.

1 Act 2015-470, 2015 Regular Session, only applies to
2 the sale of an abandoned motor vehicle for which notice of the
3 sale is published on or after July 1, 2016. A purchaser of an
4 abandoned motor vehicle sold pursuant to Chapter 13 of Title
5 32, Code of Alabama 1975, other than an abandoned motor
6 vehicle sold in accordance with Act 2015-470, 2015 Regular
7 Session, shall make application for certificate of title prior
8 to January 1, 2017, or thereafter make application for
9 certificate of title under Section 32-8-36(2), Code of Alabama
10 1975.

11 Section 3. Although this bill would have as its
12 purpose or effect the requirement of a new or increased
13 expenditure of local funds, the bill is excluded from further
14 requirements and application under Amendment 621 because the
15 bill defines a new crime or amends the definition of an
16 existing crime.

17 ~~Section 4. This act shall become effective January~~
18 ~~1, 2017, following its passage and approval by the Governor,~~
19 ~~or its otherwise becoming law. Section 1 of this act shall~~
20 become effective January 1, 2017, following its passage and
21 approval by the Governor or its otherwise becoming law.
22 Section 2 of this act shall become effective July 1, 2016,
23 following its passage and approval by the Governor or its
24 otherwise becoming law.


Speaker of the House of Representatives


President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in
and was passed by the House 22-MAR-16, as amended.

Jeff Woodard
Clerk

Senate

03-MAY-16

Amended and Passed

House

03-MAY-16

Concurred in Sen-
ate Amendment

APPROVED

5-11-2016

TIME

3:30 PM


GOVERNOR

GOVERNOR

Alabama Secretary Of State

Act Num.....: 2016-358
Bill Num....: H-280

SPONSORS

I HEREBY CERTIFY THAT THE
RESOLUTION AS REQUIRED IN
SECTION C OF ACT NO. 81-889
WAS ADOPTED AND IS ATTACHED
TO THE BILL, H.B. RD 1

YEAS 100 NAYS 0

JEFF WOODARD, Clerk

I HEREBY CERTIFY THAT THE
NOTICE & PROOF IS ATTACHED
TO THE BILL, H.B. RD 1
AS REQUIRED IN THE GENERAL
ACTS OF ALABAMA, 1975 ACT NO.
919.

JEFF WOODARD, Clerk

CONFERENCE COMMITTEE

House Conferees _____

DATE: 3-23

20 16

RD 1 RFD 2 dy

This Bill was referred to the Standing
Committee of the Senate on JUDY

and was acted upon by such Committee in
session and is by order of the Committee
returned therefrom with a favorable report
w/amend(s) 1 w/sub 0 by a vote of
yeas 10 nays 0 abstain 0

this 20 day of April 20 16

Joe Ward, Chairperson

DATE: 4-20

20 16

RF SEN 1000

RD 2 CAL

DATE: _____

20 _____

RE-REFERRED ☐

RE-COMMITTED ☐

Committee _____

I hereby certify that the Resolution as
required in Section C of Act No. 81-889
was adopted and is attached to the Bill,
HB _____

YEAS _____

NAYS _____

PATRICK HARRIS,
Secretary